

responsiveness to the emergency call out situations and concern for worker safety and compliance with State and Federal regulations governing workplace safety, the City has established leave with pay - extenuating circumstances.

(b) This leave provision shall only apply to non-FLSA Exempt employees in this bargaining unit.

(c) Eligible employees who are called back to work during the employee's normal sleeping period shall be eligible to receive time off with pay. Employees who have been called out or worked overtime during the time period of six (6) hours after and three (3) hours prior to the employee's normally scheduled work day shall be eligible for such leave.

Time off with pay shall be permitted during the employee's normally assigned shift on an hour for hour basis, with consideration given to continuous hours worked outside of the eligible hours, not to exceed the number of hours of the employee's regularly scheduled work shift.

Employees using this paid time off will elect to report to work at a later start time or leave work earlier than normally scheduled in the next regular work day. If a significant number of employees were called out, the supervisor and/or manager shall schedule whom continues working and whom reports for work later in the next workday so as to provide for a minimum staffing level necessary for efficient operations.

(d) As a general rule, and except in extreme emergency situations, employees shall not work longer than fifteen (15) consecutive hours.

(e) This program shall be administered by the appropriate Department Head, subject to authority provided by the City Manager. The appropriate supervisor must note the extenuating circumstance for the Department Head's approval on the affected employee's time sheet.

The affected employee's supervisor has the final determination as to whether an employee continues working and leaves work earlier in the normally scheduled workday or returns home to sleep and report to work later in the normally scheduled workday. The decision of the supervisor shall be based on organizational need and the affected employee's ability to continue working in a safe manner. The decision of the affected employee's supervisor shall be final and binding.

## Section 20. Health and Welfare

### Section 20.1 Health & Welfare Trust Fund

Each regular full-time employee and each permanent part-time employee of this unit shall become eligible to participate in 'Teamsters Local Union No. 856 Health and Welfare Trust Fund', provided, however, that participation in the fund shall not be denied to eligible employees who are not members of the Union. Temporary employees and temporary part-time employees who are employed by the City for a period of ninety (90) days shall also be

eligible to participate in said fund.

For purposes of providing health and welfare benefits for regular full-time and permanent part-time employees subject to this MOU the City shall contribute an agreed upon amount to the trust fund on a monthly basis on behalf of each eligible employee for actual costs incurred by such Fund to provide and maintain at existing levels of coverage hospital, medical, dental care, prescription drugs, vision care, and retiree health benefits.

An eligible employee with respect to whom monthly contributions are required shall mean any employee on the payroll on the first day of any calendar month who has been on the payroll of the City eighty (80) hours or more during the preceding calendar month. Said contribution shall institute full compliance with and full performance of all obligations of the City to provide health and welfare benefits for its employees.

(a) Effective 11/1/01 the City will contribute up to \$616.00 per month per employee toward Health and Welfare coverage, upon receipt of documentation of cost increases from the Teamsters Health and Welfare Trust Fund.

(b) Effective 11/1/02, the City's monthly contribution may increase by up to four percent (4%) upon receipt of documentation of cost increases.

(c) Effective 11/1/03, the City's monthly contribution may increase by up to four percent (4%) upon receipt of documentation of cost increases.

(d) In recognition that the current contribution rate for health & welfare premiums is \$38.00 lower than the projected \$616.00 rate level for year 2000, the City agrees allow this \$38.00 carryover credit balance to be used to offset future premium increases which may exceed the identified annual 4% adjustments. This continues the process of providing for a carryover credit when actual costs required by the Fund do not exceed the agreed upon maximum contribution rate. As an illustration, the maximum rate allowed for November 1, 2002 is \$640.64. If the rate requested with documentation called for a rate of \$652.50, the \$11.86 above the agreed upon maximum would be covered by utilizing the carryover credit balance fund of \$38.00. In this illustration, use of the \$11.86 credit would reduce the \$38.00 carryover credit balance to \$26.14 over the remainder of the term of the MOU.

(e) A request for contributions up to the maximum allowable amount shall be made by the Union to the City no less than thirty (30) days in advance of the effective date and shall be supported by evidence of Trust Fund documentation reflecting actual increased costs. This adjustment shall take effect within thirty (30) days after notification by the Union to the City. No other adjustments shall be permitted during the term of this MOU.

(f) During the term of this MOU the parties herein reserve the right to request the other party to meet and confer on the subject of this section for the purpose of reviewing and considering a competitive proposal from the requesting party for the obtaining of equal or comparable health and welfare benefits for covered employees at no additional or less cost to the City.

## Section 20.2 Life Insurance

(a) The City shall provide, at its expense, a term life insurance group policy for employees in classifications set forth in Appendix "A" hereof in an amount equal to the employee's annual base salary as stated in "Appendix A" of this MOU. Income tax consequences, in conformance with IRS regulations, will be the responsibility of the employee. All employees earning under \$25,000, will have a life insurance benefit of \$25,000.

(b) Said employees shall be entitled to purchase, at their own expense, additional term life insurance to the extent permitted by the policy carrier under such terms and conditions as are customarily imposed by such carrier in its normal course of business.

(c) Subject to agreement with the mid-management and management bargaining units, the City agrees to provide Level IV 1959 Survivor's Benefits to members of this bargaining unit. This benefit has a monthly employee cost (currently \$2.00), determined by PERS, and a rate based on actuarial valuation to the City on a monthly basis.

## Section 20.3 Retirement

The retirement system in effect between the City of San Bruno and the Public Employee's Retirement System (PERS) on behalf of eligible full-time and permanent part-time employees of this unit shall be 2% at 55 for all eligible employees. Final compensation for purposes of calculating retirement benefits shall be based upon the highest average annual compensation earned by the employee the last consecutive year of employment preceding the date of retirement.

If during the term of this agreement, new PERS retirement benefits should become available for this bargaining unit, and if other bargaining units affected by those benefits have the option to reopen negotiations on the issue of retirement benefits, this bargaining unit shall have the right to ask the City to reopen negotiations on the issue of retirement benefits. It is understood that such re-opener may allow the City to modify other economic benefits contained in this agreement to provide improved retirement benefits.

In lieu of Sick Leave Payout Upon Termination provisions previously provided in Section 19.1 (b) (14) of this MOU the City agrees, to the extent permitted by PERS and at such time as permitted by PERS, to amend our contract for inclusion of a Credit for Unused Sick Leave retirement option as outlined in Government Code section 20862.8). Until such is implemented the previously existing conditions of Section 19.1 shall be operable. The cost of the PERS sick leave buyout option shall be paid by the City.

## Section 20.4 Deferred Compensation

(a) If employees in other bargaining units are offered deferred compensation plans other than that which the employees in this bargaining unit have previously been offered, the employees in this bargaining unit shall also be allowed to participate in any such additional plans.

(b) The City agrees to permit employees of the bargaining unit, to the extent permitted by law, to voluntarily participate in a deferred compensation program as provided for in Resolution 1984-48 AUTHORIZING AND APPROVING A DEFERRED COMPENSATION PLAN FOR PARTICIPATING EMPLOYEES.

(c) The City agrees to meet and confer with the union, upon their request, should the Internal Revenue Code be amended so as to adversely impact the intended purpose of the adopted deferred compensation program.

#### Section 20.5 State Disability Insurance As An Employee Paid Benefit

(a) To the extent permitted by the State of California, the City agrees, as a 'fully employee-paid' benefit and handled as an authorized employee payroll deduction, to enroll qualified employees subject to this Memorandum of Understanding into the State Disability Insurance (S.D.I.) program.

(b) To facilitate a coordination of benefits with regard to the use of authorized sick leave accruals used by an employee during such period(s) of time when such employee is drawing disability insurance benefits relating to paragraph (a) the City shall, upon actual enrollment in the S.D.I. program and after meeting and conferring with the Union adopt a schedule of sick leave reinstatement for S.D.I. funds received from an employee.

(c) In no event shall an employee, during absence from work for an illness or disability where S.D.I. benefits are paid, earn an amount of compensation greater than the straight-time wages regularly payable if the employee had actually worked.

#### Section 20.6 Health Insurance After Retirement from City Service

The City is agreeable to consider development of a trust fund or annuity option with a third-party provider to allow employees to use sick leave payoff or employee contributions at retirement as a vehicle to provide for payment of retiree medical coverage.

### Section 21. Safety

#### Section 21.1 Observance of Safety Rules and Regulations

Both the City and the Union shall expend every effort to ensure that work is performed with a maximum degree of safety, consistent with the requirement to conduct efficient operations.

Each employee covered by this memorandum agrees to comply with all safety rules and regulations in effect and any subsequent rules and regulations that may be adopted. Employees further agree they will report all accidents and safety hazards to the appropriate management official immediately. Any employee having knowledge of or who is a witness to an accident shall, if requested, give full and truthful testimony as to same.